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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT: Unclassified Statement on CIA

1. Attached at Tab A is a suggested unclassified statement which Senator McClellan might be provided as per your comments at the morning meeting today.

2. Also attached at Tab B is a longer unclassified report on "Authorities and Responsibilities of the Director of Central Intelligence" prepared for possible background use in the Congress. This has been prepared entirely from unclassified sources, including the White House press release on the President's November 1971 memorandum on organization and management of the U.S. foreign intelligence community; a CIA publication, "The Central Intelligence Agency," dated April 1973; the record of your nomination hearing before the Senate Committee on Armed Services; and Mr. Helms' speech of 14 April 1971, "Global Intelligence and the Democratic Society."

3. Copies of both Tabs A and B have been provided to the Legislative Council for comment.

STATINTL

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23 OCT 1973

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Responding to my own concern--as well as to that expressed by others--as to the charter of the Central Intelligence Agency and the degree of control exercised over its activities, I have reviewed the National Security Council Intelligence Directives--the so-called NSCIDs-- and conferred at length with the Director of Central Intelligence.

I am convinced the National Security Council clearly runs the CIA.

The statutory responsibilities of the CIA, as set forth in Section 102 (d) of the National Security Act of 1947, and the enabling authority for implementation of these statutory responsibilities as contained in the Central Intelligence Agency Act of 1949 provide clear basis for the NSCIDs.

In general, these National Security Council directives amplify the statutory responsibilities of the DCI and the organizations which constitute the U.S. intelligence community by describing the allocation of functions and delineating the responsibilities of the various departments and agencies in the collection, processing and production of foreign intelligence.

The CIA is directly accountable to Presidential authority and control and the machinery exists for exercising this control. This is done primarily by elements of the National Security Council structure, but the President himself participates directly as needed.

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The Office of Management and Budget reviews the CIA budget on a line-by-line basis.

The President's Foreign Intelligence Advisory Board reviews for the President the foreign intelligence activities of the Government, including those of the CIA.

Separate committees of the Senate and House of Representatives--Armed Services and Appropriations--review CIA's programs and provide for its appropriations.

We all recognize that serious problems are involved in the operation of a secret intelligence organization in a democracy and that there is need for continuing attention to insure that statutory and other built-in controls hold to a minimum the inherent contradiction between democratic principles and intelligence methods.

Those controls exist.

I am convinced that the Director of Central Intelligence clearly understands and fully accepts that the CIA and the intelligence community as a whole exist to serve the legitimate needs of the government and undertake what the government asks them to do only under the directives and controls which the government has established.

TAB

AUTHORITIES AND RESPONSIBILITIES OF
THE DIRECTOR OF CENTRAL INTELLIGENCE

1. The authorities and responsibilities of the Director of Central Intelligence derive from four sources:

- a. The National Security Act of 1947, as amended (50 U.S.C. 402, 403)
- b. The Central Intelligence Agency Act of 1949
- c. Directives from the President
- d. National Security Council Intelligence Directives

2. Statutory responsibilities of the CIA and its place in the Government structure are set forth in Section 102 (d) of the National Security Act, which states:

"For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the [Central Intelligence] Agency, under the direction of the National Security Council -

"(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

"(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

"(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: Provided, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: Provided further, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate and disseminate departmental intelligence: And provided further, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

"(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

3. The Central Intelligence Agency Act of 1949 provides the Central Intelligence Agency with enabling authority for the implementation of the statutory responsibilities listed in the National Security Act by:

(1) exempting the Agency, in the interest of "the security of the foreign intelligence activities of the United States," from such existing Federal laws as require "the publication or disclosure of the organization, functions, names, official titles, salaries, or numbers of personnel employed by the Agency";

(2) specifying that the appropriations or other moneys made available to the Agency "may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds"; and that "for objects of a confidential, extraordinary, or emergency nature, such expenditures to be accounted for solely on the certificate of the Director and every such certificate shall be deemed a sufficient voucher for the amount therein certified";

(3) permitting CIA to transfer to and receive from other Government agencies such sums as may be approved by the Office of Management and Budget (formerly the Bureau of the Budget) for the performance of the functions and activities authorized by the National Security Act, and other agencies are permitted to receive from or transfer to the Agency such sums;

(4) providing that when the Director, the Attorney General and the Commissioner of Immigration and Naturalization determine that the entry of a particular alien into the United States for permanent residence "is in the interest of national security or essential to the furtherance of the national intelligence mission," the alien and his immediate family shall be given entry into the United States for permanent residence, but not more than one hundred persons may be given entry under this authority annually.

4. A number of presidential and National Security Council directives have been issued to amplify the statutory authorities and responsibilities of the DCI.

5. The most important Presidential directive pertaining to the organization and management of the U.S. foreign intelligence community is his memorandum of 5 November 1971, which reflected an exhaustive study undertaken at the President's direction by the Office of Management and Budget with participation by the National Security Council staff, the President's Foreign Intelligence Advisory Board, the President's Science Advisor, and organizations of the intelligence community.

6. The President's objectives in issuing this memorandum were to ensure:

- Continuing review of the responsiveness of the U.S. foreign intelligence effort to national needs.
- Strengthened leadership for the intelligence community as a whole.
- More efficient use of resources in the collection of intelligence information.
- Elimination of less efficient or outmoded activities.
- Improvement in the quality, scope and timeliness of intelligence information.

7. To this end he assigned an enhanced leadership role for the Director of Central Intelligence in planning, reviewing, coordinating and evaluating all intelligence programs and activities, and in the production of national intelligence.

8. The President's directive established an Intelligence Resources Advisory Committee to advise the DCI on the preparation each year of a consolidated intelligence program budget. Members of the IRAC include the DCI as chairman, and senior representatives of the Department of State, Department of Defense, and Office of Management and Budget.

9. The President also reconstituted the United States Intelligence Board to include a representative of the Secretary of the Treasury. The USIB is charged with advising and assisting the DCI with respect to the production of national intelligence, the establishment of national intelligence requirements and priorities, the supervision of the

dissemination and security of intelligence materials, and the protection of intelligence sources and methods. Its present members are the Director of Central Intelligence (Chairman); Deputy Director, Central Intelligence Agency (Vice Chairman); Director, Bureau of Intelligence and Research, Department of State; Director, Defense Intelligence Agency; Director, National Security Agency; Director, Division of International Security Affairs, Atomic Energy Commission; Assistant Director, Federal Bureau of Investigation, and the Special Assistant to the Secretary of the Treasury.

10. The responsibility of the DCI for the budget of the entire intelligence community extends to recommending to the President through the Office of Management and Budget the general level and composition of the budget and the appropriate distribution of resources among the different programs. The DCI does not "control" the budgets of intelligence elements in other departments of the Government, but, through a variety of mechanisms and authorities, he can exercise leadership of the intelligence community in the manner directed by the President.

11. Presidential directives to the DCI can be in several forms, both written and oral. Since the DCI serves as the principal advisor to the President and the National Security Council on all matters of foreign intelligence related to the national security, he is present either by invitation or as a member of a variety of high-level groups and committees at which Presidential instructions can be made known. Government needs for intelligence estimates on particular subjects are frequently surfaced at such meetings.

12. The National Security Act of 1947 specifically provides that the National Security Council shall issue directives pursuant to the Act. The National Security Council Intelligence Directives are classified and since they are National Security Council documents, the DCI has no authority to declassify or release them.

13. In general, these directives describe the allocation of functions and delineate the responsibilities of the various departments and agencies, which constitute the intelligence community, in the collection, processing and production of foreign intelligence.

14. The following comments cover in general the functions and responsibilities of the Agency and relate to a number of questions concerning CIA activities which have been raised recently in the Congress and elsewhere:

a. The National Security Act of 1947 prohibits CIA from exercising any "police, subpoena, law-enforcement powers or internal security functions," but CIA must necessarily be involved in certain domestic activities in pursuance of its foreign intelligence mission. These include:

(1) Headquarters and administrative activities involving procurement of supplies essential to foreign intelligence operations, personnel recruitment, security clearances, training, and the like.

(2) Interviewing American citizens on a knowing voluntary basis for their knowledge of foreign intelligence which they will share with their Government.

(3) Collection of foreign intelligence from foreigners temporarily resident in the U.S.

(4) Developing the facilities, mechanisms and relationships required within the United States to support foreign intelligence operations abroad.

(5) Conducting analysis and research of foreign intelligence matters by CIA staff and contractors, consultants and institutions.

b. The CIA passes the results of foreign intelligence operations to other appropriate U.S. agencies which have a legitimate interest therein. This support involves such activities as:

(1) Advising the FBI of the imminent arrival in the U.S. of foreign personnel in whose activities the FBI has an interest.

(2) Passing to the Drug Enforcement Administration the results of intelligence operations abroad which reveal information on illicit drug traffic.

(3) Reporting to appropriate authorities evasion of U.S. export controls as learned by foreign intelligence operations.

c. The Central Intelligence Agency is directly accountable to Presidential authority and control. By law, CIA operates under the direction of the National Security Council, which the President chairs. The Office of Management and Budget reviews the CIA budget on a line-by-line basis. In addition, the President's Foreign Intelligence Advisory Board reviews for the President the foreign intelligence activities of the Government, including those of the CIA. Separate Committees of the Senate and House of Representatives (Armed Services and Appropriations) review CIA's programs and budget and provide for its appropriations. From time to time, other committees of the Congress receive information from the Agency on matters within their jurisdiction.

d. In matters directly affecting the security of the United States, the President and the National Security Council want what is termed "national intelligence" -- evaluations which reflect the considered and agreed judgment of all the major foreign intelligence components of the United States Government. Seeing that this national intelligence is produced and disseminated is the responsibility and the primary function of the Director of Central Intelligence. National intelligence is focused on the needs of the top policy making levels of the government and such additional foreign intelligence as any department or agency requires to execute its particular mission is produced as departmental intelligence.

e. The CIA makes its unique contribution because of its separation from policy formulation matters. All of the departments of government which have components in the U.S. foreign intelligence community have responsibilities for the formulation of policy; CIA has none. The CIA is the only organization whose primary mission is to collect, evaluate and produce foreign intelligence.

f. In addition to the other responsibilities which it assigns to CIA, the National Security Act of 1947 provides that CIA shall perform "such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct." This language was designed to enable the CIA to conduct such foreign activities as the national government may wish to assign to what can best be described as a "secret service". These activities are undertaken only at the direction of the National Security Council.